

## **COMBATING OVERSEAS CORRUPTION: ACTION PLAN FOR 2007/08**

### **Combating money laundering and recovering stolen assets**

- 1) Implement fully the Third EU Money Laundering Directive by December 2007. Work with the EU Committee on the Prevention of Money Laundering and Terrorist Financing to promote full implementation within the EU. Respond to recommendations by the FATF evaluation of UK Anti-Money Laundering controls. Develop proposals by June 2008 to enhance intelligence and prioritise action against threats more effectively.
- 2) Issue a response by January 2008 to the consultation on the Asset Recovery Action Plan, in which the Government has put forward measures and requested the public's proposals to meet the UK's wider objectives on recovering the proceeds of crime. Get agreement on these measures by summer 2008. Improve the UK's ability to build intelligence packages on Politically Exposed Persons following the merger of the Assets Recovery Agency and Serious Organised Crime Agency by April 2008.
- 3) In line with our G8 commitment, deny entry to the UK of those individuals considered to be involved in corruption and whose presence in the UK is not considered conducive to the public good. Use tools for offender management and crime prevention, including Serious Crime Prevention Orders and Financial Reporting Orders, to monitor the assets of individuals convicted of corruption and deter criminal activities in the UK's financial systems.

### **Investigating and prosecuting bribery overseas**

- 4) Support the Law Commission's review into the bribery law and facilitate their steps to build consensus among stakeholders, with a view to legislation, following their publication of a Consultation Paper expected in autumn 2007.
- 5) Facilitate a review by the Council of Europe's Group of States against Corruption (GRECO), to be published in December 2007, of the compliance of the UK's corruption law with the requirements in the Council of Europe's Criminal Law Convention on Corruption and other Council of Europe legal instruments on corruption. Ensure recommendations are fed into the bribery law reform process.
- 6) Exclude suppliers convicted of fraud and bribery from the tendering procedures within the EU. Continue to work with the European Commission to gain a clearer understanding of how Article 45 of the current European Public Procurement Directive is being applied by Member States. Undertake analysis of how to achieve a workable and uniform application of the Directive by March 2008 to inform discussions. Assess the need to revise UK guidance.

- 7) Ensure optimal preparation for and cooperation with the OECD phase 2bis review to evaluate the UK's anti-bribery framework, including the expert visit to the UK before March 2008. Advance the review of the OECD's anti-bribery instruments through expert participation in advisory groups on criminalisation and prevention from June 2007.
- 8) Prepare legislation to extend Serious Fraud Office powers to compel the production of documents and explanations of them (under section 2 of the Criminal Justice Act 1987) to the vetting stage for overseas bribery cases. Identify a suitable legislative vehicle to put this before Parliament.

### **Promoting responsible business conduct in developing countries**

- 9) Encourage all resource rich countries to implement EITI; provide political, technical and financial support to help 15 countries achieve candidate status and 5 of these to achieve compliant status by July 2008. Explore opportunities to encourage China and other emerging economies to support EITI.
- 10) Increase transparency and accountability in the procurement and supply of medicines. Form an international stakeholder forum, agree principles and launch 4 – 5 country pilots for the Medicines Transparency Alliance (MeTA) by December 2007. Review results of pilots from second half of 2008 and assess feasibility of wider roll-out of MeTA.
- 11) Increase transparency and accountability in procurement in the construction sector. Form an international stakeholder group, agree principles and launch 4 – 5 country pilots for the Construction Sector Transparency (CoST) initiative by December 2007, including the UK. Review results of pilots from second half of 2009 and assess feasibility of wider roll-out of CoST.
- 12) UK to provide political and technical support, together with NATO and Transparency International to develop programme of 'Building Integrity in the Defence and Security Sector'. Design a training module for NATO Allies and Partners by December 2007.
- 13) Raise awareness: of the risks of international bribery and corruption and the UK legal framework with priority target groups including British companies operating overseas, front-line British officials, professional organisations and the judiciary; of the OECD Guidelines for Multinational Enterprises and the role and activities of the National Contact Point; of the private sector's obligations under the new money laundering regulations targeting trade associations and other stakeholders through conferences and seminars and providing practical guidance.

## **Supporting international efforts to fight corruption.**

- 14) Use the UK's Financial Action Task Force (FATF) presidency in 2007-08 to refocus the FATF so that it actively identifies and tackles global anti-money laundering vulnerabilities. Develop proposals to improve the levels of compliance with international anti-money laundering standards in low capacity countries.
- 15) Push for the 2<sup>nd</sup> UNCAC Conference of Parties in January 2008 to advance the implementation of UNCAC. Inform working groups on technical assistance, asset recovery and review mechanisms by:
  - o Participating in the piloting of the review mechanisms including a self-assessment of the 8 UNCAC provisions by October 2007.
  - o Providing political, financial and technical support to global asset recovery initiatives under the umbrella of UNCAC including the International Centre for Asset Recovery (ICAR), Interpol and the Stolen Asset Recovery (StAR) Initiative. Identify and support one major asset recovery case to develop collaboration between the initiatives.
  - o Improving the effectiveness and coherence of UK anti-corruption technical assistance abroad. Agree principles of engagement and establish a co-ordination mechanism by November 2007. Monitor activities in priority countries and use experience to inform international approaches to technical assistance under UNCAC.
- 16) Support Crown Dependencies by reviewing their legislation to confirm it will support the extension of the UNCAC and OECD Conventions. Undertake the process to extend the Conventions by the end of 2007. Identify with the Crown Dependencies other areas where the UK can offer support.
- 17) Help UK Overseas Territories to put into practice relevant international agreements, such as the UNCAC and the OECD bribery convention, and measures equivalent to the EU directives on money laundering. Where requested, review whether their legislation will support the extension of the UNCAC and OECD conventions and, where necessary, draft legislation to bring about compliance with each convention.

**Cabinet Office**